

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF DELAWARE

PREFERRED TAX SERVICE, INC., :
 : Civil Action No.
Plaintiff, : 1:05-CV-00872-SLR
 :
v. :
 :
THE TAX AUTHORITY, INC., et al., :
 :
Defendants. :

O R D E R

AND NOW, this ____ day of _____, 2006, upon consideration of the Motion for Sanctions Pursuant to Rule 11, F.R.C.P., of Defendants, The Tax Authority, Inc. and Kenneth M. Leese, and plaintiff's response thereto, and the supporting Memoranda of Law, it is ORDERED that defendants' Motion for Sanctions is granted, and that plaintiff and its counsel shall pay to defendants all attorneys' fees and costs incurred in this action, including, but not limited to, the preparation of defendants' Motion to Dismiss, defendants' Response to plaintiff's Motion for Temporary Restraining Order, and defendants' Motion for Sanctions Pursuant to Rule 11, F.R.C.P., as there is no reasonable legal basis for the claims asserted by Plaintiff's counsel in the Complaint, nor any factual basis upon which plaintiff can substantiate its allegations. Defendants shall file and serve an Affidavit of Attorneys' Fees within 30 days of this Order for this purpose.

BY THE COURT:

Honorable Sue L. Robinson, U.S.D.J.